Statement of Councilmember Nancy Floreen Re: HB 19 – Constitutional Amendment – Transportation Trust Fund February 5, 2004

Chairman Conway, Vice Chairman Branch, and Members of the Committee:

Thank you for the opportunity to testify on this very important issue. I am Nancy Floreen, a member of the Montgomery County Council and Chair of the Council's Transportation and Environment Committee. But I am here today speaking as an individual.

I come before you because I believe that it is absolutely critical to protect the Transportation Trust Fund. As I travel around Montgomery County and the region, the one constant I hear is the negative effect congestion has on our economy, on our families, on business productivity, on our blood pressure, and on our quality of life in general. I am sure you hear the same message day in and day out.

It is unquestionable that only with increased road capacity and expanded transit options will we be able to begin addressing our current transportation crisis.

I sat in on your joint hearing with the Ways and Means Committee a week ago and heard a number of you express concern as to whether critically needed transportation dollars would be distributed equitably across the State. The solution is clear.

The only way we can ever succeed is to ensure there will be sufficient funds in the TTF for those much needed projects, the funds are equitably distributed throughout your jurisdictions, and that this Fund is spent on transportation needs and nothing else.

There is a revenue stream flowing to the Transportation Trust Fund, collected from Federal and State Grants, motor fuel taxes, certain corporate income taxes, obligation bonds for transportation projects, motor vehicle excise taxes, vehicle registration fees, etc. I personally urge you to maximize those revenues this year for the collective benefit of all our residents.

Unfortunately, over the past years, the Transportation Trust Fund has been looked upon as a Slush Fund to rob for other purposes. In Fiscal Year 2004, Montgomery County and its municipalities lost \$12.2 million worth of State transportation funding. This year we stand to lose at least an additional \$10.8 million. Statewide, over Fiscal Years 04 & 05, \$204 million of local transportation dollars earmarked for your jurisdictions will have been diverted to the State General Fund.

And that is not all. In Fiscal Year 2004, an additional \$300 million that had been destined for State projects was siphoned out from the Fund and poured into the State General Fund with no serious indication of repayment. And, to make matters worse, last year \$200 million from a designated reserve for the Woodrow Wilson Bridge project was moved into the General Fund, creating an additional \$200 million payback burden on an already over-subscribed Transportation Trust Fund.

I believe Maryland's economic future is at risk if we allow congestion to increase to the point of gridlock. Without a reliable revenue source to fix the problems, congestion will overwhelm our way of life in the immediate future.

Your concerted efforts to direct critical transportation revenue where it is most needed have the potential of being subverted if the Trust Fund can continue to be raided. Something must be done to guard it! If it takes a Constitutional Amendment – so be it!